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PUBLIC BUILDINGS AUTHORIZATIONS ACT OF 1982

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Mr. STAFFORD, from the Committee on Environment and Public Works, submitted the following

REPORT

[To accompany S. 2451]

The Committee on Environment and Public Works, to which was referred the bill (S. 2451) to authorize appropriations for the Public Buildings Service of the General Services Administration for fiscal year 1983, and for other purposes, having considered the same, reports favorably thereon with amendments and recommends that the bill as amended do pass.

GENERAL STATEMENT

Background

This bill provides authorizations for fiscal year 1983 for the public buildings program of the General Services Administration. Although the bill is freestanding legislation, it relates closely and conforms to the provisions of S. 533, the Public Buildings Act of 1981, a comprehensive public buildings reform bill reported by the Committee and passed 93 to 0 by the Senate during the first session of the 97th Congress.

One of the chief initiatives of that bill is an overhaul of the congressional authorization procedures for the public buildings program. In brief, S. 533 replaces piecemeal, ad hoc committee approvals of individual building projects with a systematic annual authorization process that improves oversight and brings the public buildings program into conformity with regular congressional authorization and budgetary procedures. A more detailed explanation of this change, extracted from the committee report on S. 533, is reproduced at the conclusion of the general statement.

The Public Buildings Authorizations Act of 1982 is the first separate annual public buildings authorization bill to be reported by the Committee on Environment and Public Works in accordance with that inititative of S. 533. Although the House of Representatives has not yet passed similar legislation, the Committee expects there will be a conference on S. 533 this year and that the conference will produce

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legislation requiring annual congressional authorization of the public buildings program. The Committee anticipates that the annual program authorized by S. 2451 would be a subject of that same conference.

As in each of the past two years, during which it developed the reform legislation, this year the Committee will not authorize any public buildings projects under its jurisdiction—other than emergency repairs—except in accordance with an annual authorization, in this case, S. 2451. It is the Committee's judgment that public buildings appropriations for fiscal year 1983 should be limited to those projects, project costs, and budget ceilings authorized in S. 2451 and this judgment will be conveyed to the Committee on Appropriations.

On February 16, 1982, the General Services Administration submitted to the Committee its proposed public buildings program for fiscal year 1983 and its tentative program for the four succeeding years. GSA's voluntary submission of annual and long-range plans is in response to another initiative of the Committee's public buildings reform legislation and would be required by law (section 801 of S. 533) were the legislation to be enacted. The Committee conducted a hearing on the fiscal year 1983 program on March 26, and Senators Stafford and Moynihan introduced S. 2451 on April 28. They noted then that the bill was the outgrowth of the hearing and staff discussions with officials of the Public Buildings Service, but that it was still a working document, since some necessary project and budget information had not yet been furnished by GSA.

On May 11, the Committee approved S. 2451, amending it in response to additional information received from GSA. Official justifications for five major repair and alteration projects that were included in GSA's annual program as well as in its February request for appropriations had not been approved by the Office of Management and Budget as of the date of the Committee markup and are, accordingly, not included in S. 2451 as reported. Those projects should not have been submitted as part of the fiscal year 1983 program before they had executive branch clearance. The Committee recommends that GSA and OMB develop more expeditious and coordinated procedures for submitting the annual public buildings plan.

KEY PROVISIONS

As reported, S. 2451 authorizes a total of $1,992,275,000 for the Public Buildings Service of the General Services Administration for fiscal year 1983. This represents a reduction of $35,826,000 from the Administration's budget request. The six major authorization categories and the amounts authorized for each as compared to the budget request, are as follows:

	S. 2451	Budget request
(1) Construction	$56,303,000	$68,415,000
(2) Renovations, repairs and alterations	238,556,000	257,400,000
(3) Leasing	770,000,000	770,000,000
(4) Real property operations	671,654,000	676,524,000
(5) Program direction	95,791,000	95,791,000
(6) Purchase contract payments	159,971,000	159,971,000

Each category is described in greater detail below. It is important to note that this authorization does not provide any "budget authority" as that term is used in Federal budget parlance. S. 2451 authorizes

fiscal year 1983 appropriations from the Federal Buildings Fund (FBF) out of which all Public Buildings Service expenditures are made. Deposits into the FBF are comprised of "standard level user charge" (SLUC) payments to GSA from Federal agencies occupying GSA-controlled buildings (whether owned or leased by the Government). The user agencies receive budget authority each year to make the SLUC payments (insofar as the SLUC payments comprise a portion of each agency's operating budget), but expenditures out of the fund, though subject to annual appropriation, are not considered budget authority to GSA. Although executive branch budget documents report FBF expenditures, they are displayed as obligational authority with no direct impact on budget totals.

The Committee continues to be concerned over the inadequate size of the construction budget—a little more than 3 percent of the total appropriations request—and the excessive expenditures for the rental of space—about 38 percent of the total, and approaching $1 billion a year. This imbalance is the result of over a decade and a half of successive Administrations foregoing necessary construction and the attendant long-term economies of property ownership in favor of the immediate appearance of economy but long-term profligacy resulting from leasing Federal workspace. Since 1975, between 47 and 48 percent of the GSA-housed Federal workforce has been situated in leased space. (In 1981, GSA controlled over 229 million square feet of space and housed 883,000 Federal employees.)

Section 702 of S. 533 as passed by the Senate would repudiate this shortsighted policy. It establishes a goal of housing 60 percent of the workforce in Government-owned buildings within 10 years of enactment. The long-range GSA public buildings plans submitted both in 1981 and 1982 indicated agreement with that change in policy. The latest plan would actually result in the location of 78 percent of the workforce in Government-owned space by fiscal year 1988; that percentage would rise to 86 percent by fiscal year 1994. GSA projects a cost savings due to this shift in its inventory of approximately $11 billion.

GSA predicates this shift, in part, on the declining Federal workforce and on a new initiative to intensify the utilization of workspace. The Committee believes that in order to implement the latter initiative, the GSA will have to assemble more accurate inventories of office space and building occupants than it has yet been able to produce. It is impossible to determine if utilization rates are improving when GSA cannot, at present, reliably tell how many people occupy its buildings, or how much usable space each building contains. GSA should rectify this gap in its management information system.

The shift in inventory is also predicated on an ambitious program of constructing or purchasing office buildings and it is not clear whether that program will be carried out. The GSA plan shows a need for $2.5 billion in construction or purchases between fiscal years 1982 and 1988 to reach the Government-ownership goal of 78 percent, but over half that sum is not programmed until the last two years of the seven year period. Moreover, in its 1981 plan, GSA projected a $1 billion construction/purchase program for fiscal year 1983; this year, the budget request for the fiscal year 1983 program was only $68.4 million. The Office of Management and Budget, while permitting submission of the long-range plan, disavows any commitment to future approval of the

sizable construction and purchase programs projected by the plan for fiscal year 1984 and beyond.

In addition to monetary and project authorizations, S. 2451 contains provisions that essentially reiterate budgetary reforms contained in S. 533 but logically require repetition in a free-standing authorization bill. These include provisions having to do with full funding, emergencies, and cost overruns, and are described in this report.

EXCERPT FROM SENATE REPORT (NO. 97-48) ON S. 533, "THE PUBLIC BUILDINGS ACT OF 1981"

As the attached tables show, the prospectuses that are approved in any given year generally represent nearly all of the year's funded new construction but:

only about one-half of the repair and alteration budget;

only about one-tenth of the leasing budget (and only about thirty percent of the total outstanding leasing obligation);

none of the building operations budget (including such things as cleaning and protection); and

none of the administrative budget (including central planning, energy research, etc.).

As the Public Works Committees necessarily concentrate their attention on their statutorily-mandated responsibility to review prospectuses, they therefore overlook most of the PBS program. The committees are diverted from overseeing PBS policy-making and operations, and even from monitoring approved prospectus projects. GSA, for its part, seems to regard matters not requiring prospectus approval as none of the committees' business, as can be seen from GSA's failure to inform the committees of even major policy changes. When responding to inquiries about specific space needs, GSA often says it will let the committee know "if a prospectus is required." The clear implication is that, if a prospectus is not required, GSA will respond no further.

Prospectuses are submitted by GSA throughout the year and are approved by the committees throughout the year. Prospectuses are sometimes approved by one or both committees years after their submission; alternatively, some are approved only days or hours after their receipt by the committees. Either eventuality makes it impossible for GSA to compile a predictable timetable for the public buildings program. Committee review and approval in these cases either cause interminable and costly project delays, on the one hand, or create the appearance of unseemly haste in judgment on the other hand.

Piecemeal submission, consideration, and approval of prospectuses preclude priority-setting by either GSA or the committees. Each prospectus submitted and approved appears to carry the same degree of urgency. There is little or no opportunity for analytically comparing prospectuses with respect, for example, to cost per square foot, or square feet per employee, or to compare the factors—such as employee crowding, age of existing building, etc.—which might be cited as justifi-

cation for initiating projects. The sheer volume of prospectuses makes it impossible to give in-depth reviews to all, and yet, without an opportunity to compare all at once, it is nearly impossible to single out those which should undergo relatively more scrutiny.

Piecemeal approvals, and the fact that prospectuses once authorized are authorized forever, give the committees no incentive to keep their authorizations within realistic budget limits. A prospectus can be fully approved and lie dormant for years before it garners an appropriation. Since prospectuses carry no fiscal year authorization, the committees in any given year can approve many times the amount of funds expected to be available in the next fiscal year. It is indicative of this situation that the committees do not keep running totals on the dollar amounts of projects they approve. The attached charts illustrate that the committees' approvals in new construction and repair-and-alteration projects do not jibe with either the Administration budget requests for those categories or with Congressional appropriations.

The timing of repair-and-alteration prospectus approvals is so unpredictable that, for the past two years, GSA made a conscious decision to base its R&A budget request solely on projects that were already approved by the time the budget had to be submitted to Congress. The appropriations committees do not know, until the day they go to final markup on the Treasury-General Government appropriation bill, what projects will win the approval of both Public Works committees and so be in competition for the limited public buildings funds.

It is in the nature of some prospectuses that the committees have little real alternative but to approve. Lease renewals, for example, present the committees with the Hobson's choice either to approve—or to disapprove and so evict Federal agencies from space already occupied without providing alternative space. Serious questioning of prospectuses proposing repair of a roof or upgrading of mechanical systems places the committees in the position of second-guessing, from Washington, determinations made by GSA technical personnel in the field.

Even in the small part of the leasing operation controlled by prospectuses, the committees' approvals have small bearing on the eventual outcome of each lease. GSA leases carry escalator clauses that automatically increase the rent to match consumer price index and real estate tax increases. Prospectuses typically carry the notation that their approval authorizes GSA to decide whether or not to exercise renewal options (without further committee review) five, ten or more years in the future. GSA alters leased buildings, and frequently increases the amount of space rented under the lease (and concomitantly, of course, increases its rental payment) without committee approval.

Repair and alteration prospectus approvals are even less meaningful. Except for major renovations, such as the Old Post Office in Washington and the Custom House in Manhattan, which are carried out promptly and in close conform-

ity to what is set out in the prospectus, R&A projects drag on for years and end up bearing little resemblance to the projects described in the prospectus.

As of September 30, 1979, GSA reported there were 112 approved R&A prospectus projects that had not been completed. Only one project approved since 1975 had been completed; 28, or 25 percent of the total, were approved in the years 1970 through 1975; 10, or 9 percent, were approved from 1961 through 1969. In that span of time, inflation alone had so eroded prospectus authorizations that only a portion of the activities described in original prospectuses could be carried out. Moreover, PBS officials admit that as buildings' conditions change, or as new needs (such as enhanced fire safety and handicapped features) are identified the committees' approvals are freely interpreted and PBS carries out whatever work it deems necessary, regardless of what the prospectus may originally have proposed.

The 112 projects cited above carried total authorizations of over $746 million. Through fiscal year 1979, only $450 million of that total had actually been spent. GSA estimated that a backlog of about $228 million from these authorizations was still on the books on October 1, 1980.

In other words, GSA regards R&A prospectus approvals as general authorizations to respond to changing repair and maintenance needs. This is not an unreasonable position; it is, in fact, the way an annual authorization would explicitly allow GSA to manage its building maintenance program.

The only effective way to exert Congressional control and to impose Congressional priorities on the public buildings program is through an authorization that comprehends the entire PBS budget. This is the only way, for instance, to force a gradual decrease in all leasing expenditures and a concomitant increase in construction funding.

Any effective authorization process must require that all projects and expenditures for a succeeding fiscal year be submitted at one time and that they be reviewed, amended as necessary, and approved at one time. It is only in this manner that proposed projects and expenditure levels can properly be compared with each other and evaluated. This also encourages accurate Congressional accounting of total authorizations for any given year. Furthermore, the authorization procedures established in S. 533 would authorize major projects only for one fiscal year. Projects unfunded in that year would have to be re-authorized. There would be no backlogs of unfunded projects which could be used, as old R&A approvals currently are used, to rationalize current budget requests and appropriations. As a result, Congress would have tighter control of the amount and allotment of annual PBS expenditures and the authorizing committees would have greater influence in a corresponding manner over the amount and allotment of PBS appropriations.

An authorization bill must be reported to the floor of both Houses by May 15; this would be the established deadline for the authorizing committees to complete their comparative reviews of projects and budget allocations. This deadline

assures that authorizations for the public buildings program are coordinated within the Congressional budget system; it also means that the bills reported out of the committees are the basis for any floor action. Any member challenging the committees' figures, or project authorizations, would have to assure that his or her proposed changes would not violate budget ceilings and result in authorized PBS expenditures in excess of budgeted amounts. Members attempting during floor action to add their own projects would be challenged to name those projects or expenditures they would cut to make room in the budget for their proposals.

Specific, line-item authorizations of major construction and renovation projects would be included in authorization bills reported by the committees, under the scheme established in S. 533. These authorizations would not have to follow the recommendations submitted by the GSA; congressional priorities would hold sway. However, as a matter of course, GSA would doubtless consult in detail with the Congress before formally submitting its annual plans, and, indeed even before submitting for review its proposed budget for advanced planning.

PROPECTUS AUTHORIZATIONS COMPARED TO PUBLIC BUILDINGS SERVICE BUDGET

	Prospectus approved by Environment and Public Works	Administration budget request	Appropriation (including supplementals)
1977:			
Leasing	$50,533,734	$473,200,000	$473,200,000
R&A	218,061,345	60,700,000	110,700,000
Construction	53,602,000	28,100,000	32,800,000
Total	322,197,079		1,185,155,000
1978:			
Leasing	100,608,345	489,000,000	487,000,000
R&A	40,054,860	204,731,000	200,000,000
Construction	226,893,000	17,354,000	69,700,000
Total	367,556,214		[1] 1,332,838,000

[1] Total PBS appropriation.

	Prospectuses submitted by GSA	Administration budget request
1981: Leasing	$64,306,274	$680,000,000

PROPORTION OF ANNUAL REPAIR-AND-ALTERATION BUDGET ACCOUNTED FOR BY PROSPECTUS AUTHORIZATIONS

	Total R. & A. appropriations	Over $500,000		Under $500,000
		Dollars	Percent	
Fiscal year:				
1977	$110,700,000	$52,748,000	48	$57,952,000
1978	200,000,000	119,237,000	60	80,763,000
1979	200,000,000	99,283,000	50	100,717,000
1980	155,024,000	49,953,000	32	105,071,000
1981	180,000,000	79,099,000	44	100,901,000

Prospectus authorizations as a percentage of the PBS annual budget

Fiscal year 1977:	
Lease prospectuses approved	$50, 533, 734
R&A prospectus project funding	52, 748, 000
New construction funding	32, 800, 000
Total	136, 081, 734
(Total equals 11.4 percent of total appropriation.)	
Fiscal year 1977 appropriation	1, 185, 155, 000
Fiscal year 1978:	
Lease prospectuses approved	100, 608, 354
R&A prospectus project funding	119, 237, 000
New construction funding	69, 700, 000
Total	289, 545, 354
(Total equals 21.7 percent of total appropriation.)	
Fiscal year 1978 appropriation	1, 332, 838, 000

Section-By-Section Analysis

SECTION 2

Section 2 is similar to section 802 of S. 533 as passed by the Senate.

Section 2(a) establishes the restriction that no appropriation, including any appropriation from the Federal Buildings Fund, for the purposes of the bill, i.e., for the Public Buildings Service, is to be made unless it has been authorized by the Congress in accordance with this bill. This binding restriction by the Congress upon itself is similar to the provision contained in the Public Buildings Act of 1959 (P.L. 86–249). (That law would be repealed by enactment of S. 533.) The subsection adds the further restriction that no appropriation for the Public Buildings Service shall be obligated by GSA unless it has been authorized in accordance with this bill.

Subsection (b) states that, beginning in fiscal year 1984, no public building construction, renovation, alteration, repair, or acquisiton is to be commenced unless an appropriation has first been made—in the amount of the estimated cost of completion of the project—in the fiscal year in which the appropriation is authorized. Beginning in fiscal year 1984, no lease is to be entered into unless contract authority (a special form of budget authority) for the maximum costs of the lease over its entire term and a commensurate appropriation are provided in the fiscal year in which the lease is authorized.

This provision is consistent with the "full funding" concept of budgeting. Funds for all "out-year" obligations or outlays, as well as those funds expected to be required for obligation in fiscal year 1983, will be provided in appropriations in the first year. Partial-year funding will not be permitted.

This policy is consistent with the present practice for construction projects. Appropriations are made for the total estimated cost of completion before the work begins, even though obligations and outlays may extend over three to five or more years. However, at present, annual appropriations for renovations, repairs, and leases reflect only the expected obligational level for the year for which the appropriation is made. Beginning in fiscal year 1984 the practice followed in construction will apply as well to renovation, repair, and leasing.

The Committee has found, for example, that the unaccounted obligation which will be required to liquidate existing GSA leases presently exceeds $3 billion, but this year's public buildings budget request shows only the $770 million in fiscal year 1983 lease payments. GSA reports that leases newly executed during fiscal year 1983 will require payments of $44.3 million during this fiscal year, and that is the amount GSA has requested for those leases. Signing those leases will commit the Government, however, to total outlays of about $1.4 billion over the terms of those leases.

Under present accounting procedures, each year's new leasing authorization is used by GSA to enter into leases of from one to twenty years, but only the current years obligation is counted in that authori-

zation. This omission of lease commitments for all future years from both the executive branch and congressional budgets grossly understates leasing costs. It skews decisions away from construction and acquisition, and introduces a bias in favor of constantly escalating lease commitments.

In order to phase in the authorization of these currently unreported commitments, the bill delays implementation of the full funding policy until fiscal year 1984. In the interim, the Committee expects GSA and OMB to take the necessary steps to reflect this changed policy in the fiscal year 1984 Federal budget request.

It should also be noted that the full funding concept requires funding for the entire cost of actual construction or renovation to be provided in the first year of a project's authorization; it does not require that the full project cost be provided when design only is authorized. One of the purposes of authorizing design in advance of construction is to establish precise estimates of construction costs. Authorizations in S. 2451 are clearly delineated where they provide design funding only.

The bill's restriction that appropriations may be made only in the year for which they are authorized is an important departure from current practice. At present, when a project proposal is submitted to the Committee by GSA, it is not often tied to any funding schedule. Under this practice, projects are authorized without regard to fiscal year limitations, and a backlog of authorized but unfunded projects tends to build up.

This bill authorizes appropriations for just one fiscal year. These authorizations are limited in duration. In this respect, the bill authorizes an annual national buildings program, not a series of independent, unrelated projects. Work authorized by the bill but not funded by appropriations for fiscal year 1983 have to be reauthorized in a subsequent year's annual program authorization bill.

SECTION 3

Section 3(a) authorizes appropriations from the Federal Buildings Fund in the amount of $1,992,275,000 for fiscal year 1983 for the operations of the Public Buildings Service. This is a reduction of $35,826,000 in the GSA's fiscal year 1983 request for appropriations.

The total is authorized within six major categories. The agency may reprogram funds within any of the six categories, but not across or between categories. For example, funds appropriated pursuant to subparagraph (a)(1), construction and purchase, may be reprogrammed among the items contained within subparagraph (a)(1). Funds appropriated pursuant to subparagraph (a)(2), renovations, alterations, and repairs, may likewise be reprogrammed among the items contained within that subparagraph. But funds may not be reprogrammed from (a)(1) to (a)(2).

Subparagraph (a)(1) authorizes $56,303,000 for construction and purchase for fiscal year 1983. This is a reduction of $12,112,000 from the GSA budget request. Although the Committee considers the requested level of construction and purchase funding to be too low considering the long-term benefits to be derived from increased Government ownership of office space, the Committee found that two of

the proposed construction projects did not stand up to scrutiny. The Committee notes there is only a small reserve available at present within the Federal Buildings Fund to finance alternate or additional construction or purchase projects.

Descriptions of authorized major projects (those over 10,000 gross square feet), building purchases, preliminary design of a public building, and those projects not authorized are as follows:

Authorized new construction

Birmingham, Ala., U.S. Courthouse $29,591,000

The existing Federal Building and Courthouse, built in 1921 and extended in 1940, no longer meets the space requirements of the U.S. District Court which have expanded with the passage of the Omnibus Judgeship Act. Currently, six active judges, three judges on senior status, and three U.S. Magistrates share seven courtrooms, three of which are considered substandard. A seventh active judge is to be appointed July 1, 1982 to fill an existing vacancy.

GSA proposes the construction of a new U.S. Courthouse to provide nine full-sized courtrooms, seven to accommodate the seven active judges and two to be shared by three judges on senior status. Two hearing rooms for the use of three Magistrates will also be constructed. A Circuit Court Judge who has chambers in the old Federal Building-Courthouse will be provided chambers in the new facility.

GSA intends to retain two of the existing courtrooms in the old courthouse for use by three bankruptcy judges currently housed in leased space. The remaining courtrooms will be converted into general purpose office space.

The Committee has advocated for several years the elimination of wasted space and money resulting from the traditional policy of providing each judge a separate courtroom. The space allocation planned for the proposed courthouse building perpetuates this policy. Active judges are each assigned their own courtroom. Only judges on senior status and Magistrates are required to share. The Committee is discouraged by this inefficient use of space and urges GSA to ensure that the new building at least benefits from recent research on functional courthouse design.

Authorized acquisition of U.S. Postal Service properties

Sioux City, Iowa, U.S. Post Office-Courthouse $1,367,000

The purchase of this building from the U.S. Postal Service will allow continued occupancy by the U.S. District Court, court-related activities, and several Federal agencies, and the consolidation of leased space for offices of the Departments of Agriculture, Defense, and Health and Human Services. GSA estimates that acquisition will result in annual rental savings of $73,000 and annual rental avoidance of $315,000. In addition to $1,367,000 for acquisition, alterations to the Post Office-Courthouse—to be funded in fiscal year 1984—are expected to cost $900,000.

Greenville, Tenn., U.S. Post Office-Courthouse $331,000

This building, constructed in 1905 and extended in 1938, is listed on the National Register of Historic Places. Its purchase is proposed in order to continue its occupancy by the U.S. Courts, Small Business Administration, Armed Forces Recruiters, and U.S. Marshals. When

space is vacated by the U.S. Postal Service, the Social Security Administration will occupy it. Acquisition of this building will result in annual rental savings of approximately $45,000 and annual rental avoidance of about $174,000. In addition to an estimated $331,000 for purchase of this building, $345,000 is the projected cost of its alteration.

Norfolk, Va., Post Office-Courthouse $6,400,000

This building is regarded by GSA as potentially eligible for listing on the National Register of Historic Places. GSA currently assigns space in it to the U.S. Courts, U.S. Marshal, and U.S. Attorney. Purchase of this building would permit these occupants to remain, provide for expansion space required by the Courts, and allow other Federal agencies to relocate to it from leased space. GSA projects rental savings and rental avoidance of $344,000 and $1,156,000 respectively. In addition to $6,400,000 for its purchase, repair and alteration of this building, estimated at $6,094,000, is scheduled for fiscal year 1983.

Authorized preliminary design of construction project

Washington, D.C., Federal Triangle $3,500,000

GSA requests $3.5 million to carry out preliminary design of a Federal office building to be constructed in the Federal Triangle area of Washington, D.C. As currently envisaged by GSA, the building would provide offices for about 6,500 Federal employees in approximately 1.3 million square feet of usable space, somewhat larger than the Herbert Hoover Department of Commerce Building and about one fourth the size of the Pentagon. In addition, it would contain about 94,000 square feet of ground level retail space, 65,000 square feet of exhibition space, and underground parking for 2,000 automobiles. The project also entails improving the interior courtyards of some of the existing Federal Triangle buildings and creating a public "Federal Walk" through the Triangle buildings. Cost of the entire project is estimated at $350 million.

The office building GSA proposes would be built on the "Great Plaza," a large site currently used for automobile parking opposite the Commerce Building on Fourteenth Street. Because its construction would significantly decrease the amount of open space on this site and increase the working population and traffic in the congested downtown Washington area, the project has attracted opposition from some local citizens' groups. It has, however, received tentative endorsement from the District of Columbia Government and the approval of the National Capital Planning Commission.

The Committee recommends that preliminary design of the project be allowed to proceed. For years it has encouraged GSA to increase the proportion of Federal employees provided offices in Government-owned buildings and to relinquish leased office space because of the long-term fiscal advantages of doing so. In the "Great Plaza," the Government owns a parcel of prime real estate that can be used effectively to diminish the Government's dependence on leased space. The National Capital area has 130,000 Federal employees occupying leased facilities. Moving approximately 6,500 of these employees into the proposed building would produce annual office rental savings of about $58 million by the time of occupancy. These savings would rapidly amortize construction and operational costs.

The Committee's approval of preliminary design is contingent on GSA keeping the Committee continually and thoroughly advised on the details and progress of this project. GSA should ensure that building design is in keeping with the spirit of the original Federal Triangle plan and is compatible with, though not necessarily imitative of, the architectural style of the existing Triangle buildings.

Projects not recommended for authorization

New York, N.Y., U.S. Mission to the United Nations..... $2,050,000

GSA proposes to construct a 2-story addition atop the existing 2-story auditorium which is attached to the main 12-story U.S. Mission building. This project is designed to meet the recurring need for space for additional personnel temporarily posted to New York for United Nations General Assemblies and other UN meetings.

The proposed addition is prohibitively expensive and other alternatives, which have not been explored by the GSA, may be more cost-effective. The addition would cost $2,050,000, but would add only 4,725 square feet of usable space (6,750 gross square feet): this cost, $303.70 per gross square foot, is much higher than the norm. (By comparison, other Federal construction in the New York area is estimated at about $100–120 per square foot). The exceptional expense arises mostly from the need to strengthen the auditorium structure to support the additional two floors.

The U.S. Mission is in a wealthy, densely developed neighborhood of Manhattan. Erecting a 2-story addition would result in the Government owning a four-story building in an area where land is so valuable that good business sense dictates—and has resulted in—the recent construction only of first-rate, high-rise office, hotel, and residental buildings. The Committee believes this project is not well conceived and recommends that GSA explore other alternatives including: (1) high-rise construction on the site to provide offices for Federal personnel currently in leased space in New York; and (2) sale of the undeveloped air rights over the auditorium to finance construction of the small addition.

Youngstown, Ohio, Federal Building-Courthouse..... $10,062,000

Space for the U.S. District Courts, court-related activities and three Federal agencies is presently leased in the former U.S. Post Office and Courthouse. This building, now named City Hall Annex, was conveyed to the City of Youngstown after the Postal Service moved to a new building. GSA decided not to acquire the building from the Postal Service because of its age, location, condition, space conversion problems, and lack of parking area.

GSA's lease in City Hall Annex will expire on April 15, 1984, and the City has indicated its unwillingness to extend Government occupancy. Consequently, GSA has proposed the construction of a new Federal Building-Courthouse to meet the needs of the U.S. Courts and those agencies currently housed in City Hall Annex as well as in other leased space in Youngstown.

GSA and the U.S. Courts have not agreed on the size and character of the court facilities to be included in the proposed new building. Until all outstanding issues in this regard are resolved, the Committee does not recommend authorization of this project.

Subparagraph (a) (2) authorizes $238,556,000 for renovation, alteration, and repair of public buildings and leased space. This is a reduction of $18,844,000 in the GSA budget request.

GSA maintains an inventory of repair and alteration needs identified by local managers in the over 10,000 Government-owned, GSA-managed public buildings. This inventory shows there will be a backlog of approximately $1.6 billion in required work at the end of fiscal year 1983. According to GSA, the highest priority work items each year are selected for inclusion in the budget. While work to correct building deterioration, malfunction, and obsolescence comprises the largest part of the proposed fiscal year 1983 expenditure, GSA also placed a high priority this year on scheduling improvements to promote more efficient space utilization.

The Committee does not have confidence in the accuracy of the GSA repair inventory. A number of General Accounting Office reports in the past few years have indicated that the computerized inventory does not supply GSA management with accurate information. The Committee has no reason to suspect that funds authorized and appropriated for repairs and alterations are not used for that purpose, but the inaccuracy of the inventory may mean that high priority needs are ignored while lesser needs are met. GSA has not taken corrective actions recommended in the GAO reports, and the Committee strongly urges GSA leadership to do so.

As noted earlier in this report, the Committee deleted from the fiscal year 1983 renovation, repair and alteration program five major projects requested by GSA that had not been cleared within the executive branch. The Committee did authorize a figure of $8 million for alterations to space in leased buildings, but urges GSA, in line with long-standing Committee policy, to keep these expenditures to a minimum.

Major renovation, repair, and alteration projects (those over $1 million in total cost) are as follows:

Renovations, repairs and alterations

Anchorage, Alaska, Federal Building-Courthouse $6,968,000

GSA proposes the renovation and conversion of space in this building which is on the National Register of Historic places. Planned work includes a general upgrading of building support systems conversion of vacated U.S. Courts and Postal Service space to general purpose office space, repair and alteration of existing space. and provision of life and property protection. After completion of this project, the 60,000 occupiable square feet of this building will be backfilled by the cancellation of leases.

Phoenix, Ariz., Federal Building-Courthouse $1,724,000

The construction of a seventh courtroom, adjunct facilities and chambers are proposed in this building to satisfy the increasing requirements of the District Court. Five active judges, two judges on senior status and occasional visiting district judges will be served by these additional facilities which also will be shared with the Circuit Court and administrative law judges from various executive agencies. Conversion of 4,700 occupiable square feet on the third floor and the relocation of the Department of Agriculture to leased space are required for this project.

To meet life and fire safety codes, a sprinkler system will be installed throughout the building.

Little Rock, Ark., Post Office-Courthouse $1,570,000

Since its original construction in 1932 and its extension in 1940, this building has not been upgraded by means of a major repair and alteration project. Many of the building systems have deteriorated beyond repair that can be provided by day-to-day maintenance and suffer from basic uncorrected operational deficiencies. Funds have already been appropriated to construct a new building extension in order to provide expansion space for the U.S. Courts.

GSA proposes renovation work which will rectify inadequacies in plumbing, lighting, electrical, and air conditioning systems. Modifications of the existing structure will also respond to fire safety and energy conservation requirements.

In addition to the $1,570,000 requested for fiscal year 1983, GSA plans to request an additional $3,000,000 in fiscal year 1984 to complete these renovations.

San Diego, Calif., Federal Building $2,998,000

Extensive renovation of this vacant historic building will provide 42,410 square feet of occupiable space. GSA plans to make structural modifications in order to meet current building code requirements for seismic protection, to install a new central air conditioning and heating system, to add all required fire safety items, to upgrade the electrical system, to provide necessary architectural restoration, and to improve other miscellaneous building components.

Denver, Colo., Federal Building-Courthouse $2,404,000

This building was constructed in 1965 and does not meet current national and local fire safety standards. GSA proposes to install fire sprinklers on all 18 floors, an emergency communications system, an emergency lighting system, and fire control subdivisions where needed. Also included in this project is work to improve the energy efficiency of the building.

Although it was originally identified as one of twenty-two projects given emergency approval by the Committee on September 13, 1979 in order to meet the requirements of the Omnibus Judgeship Act, no work on U.S. Court facilitates was included in the GSA project description. Since then, the scope of the project has changed and GSA has requested $506,000 less than it did in 1979. The Committee approves this project on its merits but is distressed by the apparent misrepresentation of its connection with Omnibus Judgeship Act needs.

Denver, Colo., Federal Center Building 20 ..... $10,087,000

GSA plans to convert part of this building into laboratories for the Food and Drug Administration and the U.S. Geological Survey which are currently housed in unsafe, overcrowded space. Architectural modifications, mechanical modifications, handicap access modifications, life and property protection items, energy conservation features, and electrical system modifications are included in this project.

Although project costs total $16.514,000, GSA has requested $10,087,000 for fiscal year 1983 and will request the remaining $6,427,-

000 in fiscal year 1984. It has also requested leasing authority to relocate some current agency occupants of Building 20 in order to permit the proposed renovation work. Authorization of the repair and alteration work described above does not constitute the granting of authority to GSA to enter into long-term lease arrangements for relocation purposes.

Washington, D.C., National Archives---------- $2,696,000

GSA proposes renovations and repairs to the monumental National Archives building to address existing problems and to forestall future deterioration. Leaking sections of the existing roof will be replaced. Repairs will be made to the main exterior stairs, moat walls, and building exterior. Both the fifth floor theater and the public library will be renovated. Fire safety codes will be met through installation of new sprinklers in the office area.

Washington, D.C., Liberty Loan Building---------- $4,460,000

GSA has requested $4,460,000 for work planned during fiscal year 1983 and will request the remainder of the $7,217,000 project cost in fiscal year 1984. Repairs and alterations to be performed include replacement of all windows, installation of a new heating, ventilating, and air conditioning system, upgrading of office and corridor space, modernization of restrooms, and refinishing of the building exterior.

Washington, D.C., West Heating Plant---------- $2,190,000

GSA has determined that three existing electostatic precipitators on boilers at the West Heating Plant cannot be modified in order to meet current air quality standards and must be replaced with three new particulate removal units. The proposed project also provides for the conversion of two boilers to multifuel capability, the installation of a dry ash handling system to replace the existing wet ash system, and major renovations to upgrade the coal handling system.

Although GSA has requested $2,190,000 for fiscal year 1983 work on this project, obligational authority required to complete alterations and major repairs at the West Heating Plant totals $12,290,100.

Miami, Fla., Post Office-Courthouse---------- $1,400,000

GSA has requested $1,400,000 to complete the conversion of space vacated by the Postal Service into six courtrooms and related facilities required by the U.S. Courts in accordance with the Omnibus Judgeship Act. The project includes additional work to renovate the heating, ventilating, and air conditioning system, upgrade office space, and improve the fire safety system. Total project cost is $5,451,000, of which $2,073,000 has been obligated or programmed for obligation through the end of fiscal year 1982.

Atlanta, Ga., Court of Appeals---------- $7,702,000

This project is to perform basic work to correct deterioration and basic deficiencies in this monumental, historic building. On March 31, 1982, the project was excepted from the Committee's longstanding moratorium on approving major GSA repair and alteration projects. The Chairman of the Committee had received a letter on March 29 from the Commissioner of the Public Buildings Service stating there

was an "emergency situation" in this building and requesting "full authorization" of the $7.7 million project cost. During discussion on March 30, members of the Committee noted that the project report submitted by GSA indicated that work to be performed would not include emergency repairs. The Committee subsequently asked GSA for an estimate of the cost to correct emergency conditions in the building and was informed that approximately $200,000 would be required.

Under the law, GSA has full authority to undertake emergency repairs costing less than $500,000, and in this instance there was no reason for the GSA to request or the Committee to grant emergency approval of the project. Several times in the past few years, the Committee has expressed in writing to the GSA its dissatisfaction with GSA requests for emergency building repair authorizations. This most recent incident seriously undermines the credibility of GSA in these matters.

Despite its previous approval by the Committee, this project is a part of the overall public buildings program for fiscal year 1983 that is authorized by S. 2451, and therefore must be included in this legislation.

Lafayette, Ind., Post Office-Courthouse---------- $1,300,000

Alterations and major repairs to this building acquired from the Postal Service include conversion of USPS space into general office space, upgrading of space on all floors, upgrading of restrooms, installation of energy conservation features, fire safety and handicapped access items, and provision of land-scaping and art-in-architecture.

South Bend, Ind., Federal Building-Courthouse---------- $5,900,000

GSA proposes to spend $5,511,000 during fiscal year 1983 for renovations to this building. Work to be performed includes installing a central heating, ventilating and air conditioning system, making improvements to space, installing additional U.S. District Court facilities, installing new elevators, upgrading the plumbing system, providing fire safety protection and adding facilities for the handicapped.

Baltimore, Md., Middle River Federal Depot---------- $2,864,000

GSA has requested $2,864,000 for fiscal year 1983 of the $4,756,000 total cost of this project to repair and alter the Federal Depot buildings. GSA plans to request the remaining $1,892,000 in fiscal year 1984. Proposed work includes upgrading the electrical system, replacing the heating system, and installing a fire alarm and sprinkler system.

Suitland, Md., Oceanographic Building---------- $4,140,000

In order to meet the needs of the United States Naval Intelligence Command, GSA has requested $9,760,000 for this project, $4,140,000 of which will be obligated during fiscal year 1983. GSA plans to request additional funds in fiscal year 1984 and fiscal year 1985. Work to be performed includes upgrading the heating, ventilating and air conditioning system, upgrading the electrical system, provision of fire and life safety items, replacement of windows, and upgrading office space. Much of this work is directly or indirectly required to convert this building into a classified intelligence facility.

Detroit, Mich., Federal Building-Courthouse---------- $2,849,000

For diverse repairs and alterations to this monumental building, GSA has requested $2,849,000 to be obligated during fiscal year 1983.

Work to be performed includes repair of exterior walls, conversion of postal workroom to office space, addition of a stairwell, and the installation of a fire alarm and sprinkler system. The total cost of this project is $7,806,000. GSA plans to request authority to obligate additional funds in fiscal year 1984 and fiscal year 1985.

St. Louis, Mo., Building 110 ..... $6,113,000

GSA proposes to convert industrial and storage space into general office space in this building. Additional work required includes the installation of a central heating, ventilating, and air conditioning system, provision of fire and life safety items, upgrading of the electrical system, and installation of energy conservation items. The Department of the Army is the primary occupant of the building.

Bayonne, N.J., Archives and Records Center $1,905,000

The Federal Archives and Records Center is the sole occupant of buildings 12 and 22 located in the Military Ocean Terminal. In order to meet standards established for records storage, GSA proposes improvements in the heating system, installation of a ventilation system, and provision of fire safety equipment.

Cincinnati, Ohio, Post Office-Courthouse $2,636,000

GSA has proposed alterations and major repairs to this building so that it can continue to provide adequate housing for its occupant Federal agencies. Included in this project are the upgrading of space on all floors, the construction of new facilities for the U.S. Courts in accordance with the requirements of the Omnibus Judgeship Act, the installation of fire safety items, and the replacement of the heating system. $2,755,000 has already been obligated or programmed for obligation to accomplish the proposed work. GSA has requested $2,636,000 to continue work during fiscal year 1983.

Hato Rey, P.R., Federal Building-Courthouse $3,000,000

This Federal Courthouse was completed in 1976 at a cost of $27 million. It has never been occupied because the Federal judges in San Juan refused to relocate their offices to the new building. In order to meet some of the objections of the judges, and to alter the building to meet changed requirements occasioned by the Omnibus Judgeship Act, GSA submitted a proposal for $3,133,000 in alterations on May 19, 1981.

That plan did not meet with the approval of the judges, however, and subsequent discussions between GSA, the Administrative Office of the U.S. Courts, and the judges have resulted in a revised project proposal which reduces its cost to $3,000,000. The Committee expects the GSA not to commence work on this project until it has in hand, and has transmitted to the Committee, a document pledging that all the affected Federal judges in Puerto Rico will occupy the Federal Building-Courthouse as soon as alterations are completed sufficiently for them to do so.

Portland, Ore., (new) Courthouse U.S $2,999,000

Pursuant to the requirements of the Omnibus Judgeship Act, GSA plans to construct two new courtrooms, judges' chambers and other related facilities in space vacated by the Postal Service on the first floor of this monumental building. This would account for $1,155,700

of the $7,187,000 total cost of this project. Additional work includes modernization of offices, life and fire safety items, exterior repairs, and improvements to the heating, ventilating and air conditioning system. $1,554,000 has been programmed for obligation during fiscal year 1982 and $2,999,000 has been requested to perform work planned for fiscal year 1983.

Dallas, Tex., Terminal Annex---------- $7,997,000

GSA plans extensive alterations and repairs to this building being purchased from the U.S. Postal Service. Prior to occupancy by the tenant agencies which will be relocated from leased space, GSA proposes to convert and upgrade space, install fire safety items, make structural alterations, modernize restrooms, install new elevators, and perform miscellaneous other work.

Ogden, Utah, Internal Revenue Service Center---------- $2,779,000

To correct the extensive deterioration of the roof of the IRS Center, GSA proposes to replace most of the existing roof and study additional measures for dealing with its drainage problem. Fiscal year 1983 work will also be used to resurface parking lots and modify the heating, ventilating and air conditioning system to conserve energy. The total cost of repairs and alterations to this building and its site is $5,815,000.

Alexandria, Va., Hybla Valley Federal Building---------- $1,627,000

This building, constructed in 1958, houses nearly 400 employees of the Defense Nuclear Agency. This project includes improvements to the heating, ventilating and air conditioning system and replacement of the deteriorated suspended ceiling system and associated light fixtures.

Alexandria, Va., Post Office-Courthouse---------- $1,550,000

GSA proposed this project to meet the requirements of the Omnibus Judgeship Act and to perform other repairs and alterations needed for the continued use of the building. Tasks to be performed include upgrading and converting space for the U.S. Courts, upgrading the electrical system, replacing the elevator, modifying the heating, ventilating and air conditioning system, and improving fire safety and handicapped facilities.

Norfolk, Va., Post Office-Courthouse---------- $6,094,000

This building is to be purchased from the U.S. Postal Service for $6,460,000 and modified to meet the needs of the U.S. Courts, a current occupant, and agencies to be relocated from leased space. Three new courtrooms, chambers and adjunct facilities will be provided for the U.S. District Courts through the conversion of vacated U.S.P.S. space. Other proposed work includes space conversions to provide offices for the tenants, fire safety improvements, and heating, ventilating and air conditioning system repairs.

Seattle, Wash., U.S. Courthouse---------- $1,623,000

This project is designed to meet the housing requirements of the U.S. Courts resulting from the Omnibus Judgeship Act and the

Bankruptcy Reform Act through the conversion and improvement of existing courtroom and office space. GSA had requested reprogramming authority to use $1,585,000 for this project during fiscal year 1982. For fiscal year 1983, $1,632,000 is planned for basic work to make repairs and fire safety improvements, upgrade the electrical system, and apply energy conservation modifications to the air conditioning system. The total cost is $3,789,000.

Yakima, Wash., Federal Building-Post Office..... $1,338,000

This monumental building, listed on the National Register of Historic Places, has been purchased from the U.S.P.S. GSA proposes basic work to correct building deficiencies, to convert postal workroom space to office space, to modernize existing office and U.S. Court space, and to provide facilities for the handicapped. The total cost of this project is $2,363,000.

Fiscal year 1984 repair and alteration projects recommended for inclusion in the fiscal year 1983 program

Chicago, Ill., J. C. Kluczynski Federal Building	**$3,319,000**
Boston, Mass., John F. Kennedy Federal Building	**2,499,000**
Detroit, Mich., Patrick V. McNamara Federal Building	**5,474,000**
Cleveland, Ohio, Anthony J. Celebrezze Federal Building	**3,951,000**

Each of these four Government-owned buildings is a structure in excess of 20 stories which does not meet recognized life and firesafety code requirements. The potential danger to Federal workers and other occupants of these buildings in the event of a fire makes the installation of needed firesafety equipment a priority concern. GSA has proposed these projects for funding in fiscal year 1984; the Committee recommends that they be included instead in the fiscal year 1983 program to facilitate their rapid completion.

Design of renovations, repairs and alterations

Washington, D.C., Auditors Building..... $656,000

GSA is requesting funds for preliminary design of major repair and alteration work needed to provide for the continued use of this historic building. Total authority required to complete this project is estimated to be $9,950,000 and additional funds will be requested in fiscal years 1984 and 1985. Work to be performed during construction includes structural repairs, replacement of mechanical systems, installation of a heating, ventilating and air conditioning system, and upgrading of office space.

Washington, D.C., Interior Building..... $602,000

Preliminary design funds requested for fiscal year 1983 will permit needed repair and alteration work to begin in fiscal year 1984. Additional funds will be requested in fiscal years 1984, 1985, and 1986. The total cost of this project is estimated at $9,140,000.

Planned work includes the replacement of 12 elevators and other mechanical systems components, installation of fire safety items, and repair of water damage.

Washington, D.C., Pension Building..... $1,750,000

Public Law 96–515 authorizes renovation of the Pension Building to establish within it a National Museum of the Building Arts.

The project will include restoration of interior and exterior architectural features, replacement of windows and skylights, installation of new mechanical systems, upgrading of interior office space, upgrading of restrooms and plumbing, installation of fire safety equipment, and provision of facilities for the handicapped. GSA requested a fiscal year 1983 authorization of $24,000,000, the current estimate for completion of the project. The lower amount authorized by the Committee reflects the policy of both the Committee and GSA to carry out preliminary design before authorizing major projects. Preliminary design work is essential for obtaining accurate estimates of projects costs. The Committee's action will neither delay nor prejudice the project's completion.

Atlanta, Ga., Federal Annex $653,000

GSA proposes to acquire this monumental building from the U.S. Postal Service and has requested $653,000 of the total project cost of $9,846,000 for the design of work planned for fiscal year 1984. Renovations will convert postal space to office space and upgrade mechanical and fire safety systems.

Asheville, N.C., Grove Arcade Federal Building $550,000

The Federal Building was built as a shopping mall in 1929 and is listed on the National Register of Historic Places. Its continued use by Federal agencies requires the renovation of its architectural, electrical, mechanical, structural, and fire safety systems and components. GSA has requested $550,000 for design of this project in fiscal year 1983 and plans to begin construction in fiscal year 1985. Total project cost is estimated to be $8,364,000.

Project not recommended for authorization

Pasadena, Calif., Federal Service Center $1,369,000

GSA submitted its original request on May 21, 1979, for authority to obligate $9,864,000 for alterations and repairs to this facility. The project was approved by the Committee on July 20, 1979. That request recognized the need for structural modifications of the building but estimated the cost at $740,000 in the absence of a seismic study. On February 2, 1982, GSA submitted an amended request based on a seismic analysis of the structural modifications which increased the cost by $1,170,000. At the same time estimated costs for design-supervision were escalated by $199,000 resulting in a total increase of $1,369,000.

In accordance with the terms of section 7(b) of the Public Buildings Act of 1959 as amended, the Administrator of General Services has the discretion to increase by as much as 10 percent the cost of a project already having received congressional approval. GSA's request exceeds this 10 percent limit and therefore requires Committee approval of an amendment to the original project.

The Committee recommends against the approval of GSA's amended request. A seismic study should have been completed and its results and corresponding cost estimates included in the first project report seeking authorization from the Committee. Had that report been more carefully prepared, all major costs associated with this project would have been anticipated.

The Committee suggests that GSA use its discretionary authority

to increase expenditures by 10 percent and find savings in other areas so that necessary structural modifications can be made.

Subparagraph (a)(3) authorizes $770,000,000 for fiscal year 1983 for rental of building space. This is the full amount requested by GSA. As noted earlier in this report, this figure grossly understates the full leasing obligation of the Government. That total obligation is approximately $3 billion.

As originally introduced, S. 2451 reduced GSA's leasing budget request by $7.9 million, an amount described by GSA as necessary for "agency expansion space." GSA explained that the term "expansion space" was inaccurate; the $7.9 million is earmarked for new leases that replace existing leases not being renewed. In light of the fact that this money will not be used to expand the GSA leased space inventory, the Committee restored these funds. Overall, the authorization for leasing will result in a 7.2 percent decrease in the leased space inventory, from 91.1 million square feet to 84.5 million square feet.

Subparagraph (a)(4) authorizes $671,654,000 for real property operations, a reduction of $4,870,000 from the GSA budget request. Real property operations consist of cleaning, routine maintenance, utilities, and protection in Government-owned buildings and in leased space in which the leases require the Government to pay some of these costs.

The Commitee's reductions are directed at two items in this category. The GSA earmarked $7,173,000 out of an overall cleaning budget of $215.8 million, for "increased cleaning requirements in selected agency headquarters buildings." GSA officials asserted that frequent and intense public use necessitates special cleaning measures in thirty-four public buildings in the Washington, D.C. area. These officials conceded, however, that some of the cleaning problems in these building contracts. The Committee intends that $3,586,000 of its reduction in this category be assessed against the proposed $7,173,000 special agency "cleaning requirements."

The remainder of the reduction is intended to be assessed against the building protection portion of real property operations, which accounts for $50,882,000 of the GSA request for this category. This $1,283,000 reduction eliminates the proposed fiscal year 1983 increase for supplies, materials, and service contracts. The public buildings inventory will decrease by over three percent in fiscal year 1983, reducing protection requirements. Moreover, the GSA has not been able to show that its deployment of protection forces, and particularly private security services, has been effective in stemming petty larceny from Federal buildings—by far the largest category of crime committed on GSA property.

Subparagraph (a)(5) authorizes $95,791,000 in fiscal year 1983 for program direction. This amount is identical to the GSA budget request. Program direction encompasses the overall management and administration of the programs of the Public Buildings Service, including preparation of annual and long-range plans, which the PBS does well, and the storage, retrieval, and analysis of information on the GSA building inventory, an area requiring considerable improvement.

One million dollars of this amount is to be allocated to research and evaluation. This amount has remained constant for several years,

and the Committee suggests that GSA consider the benefits that might be realized from a modest increase in this activity. Studies have shown that the costs of construction and operation are less than 5 percent of the total cost of doing business in an office building over a forty-year period; personnel costs account for most of the rest. If improvements in office layout and design can be found that will enhance the productivity of the workforce, the cost of finding them through research and applying them in construction would be recaptured quickly through savings in personnel expenses.

Subparagraph (a)(6) authorizes appropriations for fiscal year 1983 of $159,971,000 for payment of principal, interest, taxes, and any other required obligations related to facilities acquired pursuant to both the Public Building Purchase Contract Act of 1954 (40 U.S.C. 356) and the Public Building Amendments of 1972 (40 U.S.C. 6020). This amount is identical to the GSA budget request. It is fixed by previous contractual commitments of the Government that extend for some time into the future. The acts cited above enabled GSA to enter into long-term borrowing arrangements in the private lending markets—in a few cases, through the Federal Financing Bank—to permit construction of a backlog of public building projects that had been approved but unfunded when the laws were enacted. Under these purchase contracts, the Government makes regular payments on the loans and title to the buildings passes to the Government at the end of the long-term payment periods.

Subsections (b) and (c) of section 3 and section 4 are nearly identical to provisions in S. 533.

Subsection (b) provides that funds appropriated under subsections (a)(1) and (a)(2) of this section are to remain available for obligation and expenditure without regard to fiscal year limitations, provided that construction, renovation or acquisition has commenced, pursuant to section 2(b). That is, funds appropriated for the total cost of construction do not expire at the end of the fiscal year for which they are appropriated, but remain available until fully expended.

Subsection (c) provides authority for GSA to undertake emergency renovation, alteration, and repair projects or enter into emergency leases not previously authorized. Ten percent of the funds made available under subparagraph (2) of section 3 could be reprogrammed to meet renovation, alteration and repair needs not anticipated when the Administrator submitted his annual program and budget request. Likewise, funds available under subparagraph (3) of section 3 may be utilized for lease requirements which could not have been so anticipated. The Committee does not expect that funds would ever be reprogrammed from one subparagraph in order to meet the needs normally funded through the other subparagraph. For example, funds should not be reprogrammed from paragraph (2) to undertake a lease. Nor should funds be reprogrammed from subparagraph (3) to renovate, alter, or repair buildings. On the other hand, any funds available within the various components of a subparagraph may be utilized to meet these respective needs.

The legislation requires that no funds may be obligated under section 3(c) until 30 days after the submission by the Administrator of an explanatory statement to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Trans-

portation of the House. Such explanation should include a description and justification for the renovation, alteration, or repair or lease or alteration to leased space as well as a statement of the reasons why such project or lease cannot be deferred for authorization in the next succeeding fiscal year.

In the event that the Administrator believes the project or lease is such a critical emergency that it should not be deferred for 30 days, he may proceed prior to the lapse of the 30-day period. In such cases, his statement to the Committees should also include his justification for proceeding prior to the 30-day lapse in time.

Section 4 provides that when the cost of a project exceeds the estimated maximum cost authorized under section 3 of this bill, the Administrator is authorized to increase expenditures up to ten percent of the amount authorized under section 3 or to decrease the number of gross square feet to be constructed in the project by ten percent of the amount authorized in section 3. He may not do both nor may he mix the two alternatives by, for example, increasing expenditures by six percent and reducing the size of the building by four percent.

If the cost of an authorized project exceeds ten percent of the amount authorized by section 3, additional authorization would be necessary before the project could proceed. In this event, GSA would report to the Committees with recommendations regarding appropriate action to enable the continuance of the project. If the Administrator believed the project should not continue but should be deauthorized or deferred, then this judgment would also be reflected in his report to the Committees.

Rollcall Votes During Committee Consideration

Section 133 of the Legislative Reorganization Act of 1970 requires that any rollcall votes be announced in reports accompanying legislation. During the Committee's consideration of this measure, no rollcall votes were taken. The bill was ordered reported by unanimous voice vote.

Evaluation of Regulatory Impact

In accordance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the committee has evaluated the regulatory impact of the bill. In view of the fact that the bill primarily affects the internal operations of the Government, there are no new regulatory implications.

Cost of Legislation

Section 403 of the Congressional Budget and Impoundment Control Act requires each bill to contain a statement of the cost of such bill prepared by the Congressional Budget Office. That report follows:

U.S. Congress,
Congressional Budget Office,
Washington, D.C., May 27, 1982.

Hon. Robert T. Stafford,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has pre-

pared the attached cost estimate for S. 2451, the Public Buildings Authorizations Act of 1982.

Should the Committee so desire, we would be pleased to provide further details on this estimate.

Sincerely,

ALICE M. RIVLIN,
Director.

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE

1. Bill number: S. 2451.
2. Bill title: Public Buildings Authorizations Act of 1982.
3. Bill status: As ordered reported by the Senate Committee on Environment and Public Works, May 11, 1982.
4. Bill purpose: This bill authorizes the appropriation of receipts from the Federal Buildings Fund to finance activities of the Public Buildings Service of the General Services Administration. The bill also makes certain changes in the funding procedures for the activities of the Public Building Service, to begin in fiscal year 1984.
5. Cost estimate: The bill authorizes the appropriation of $1,992 million for fiscal year 1983 to provide funds for the operations of the Public Buildings Service.

	Millions
Estimated authorization level:	
Fiscal year:	
1983	$1,992
1984	------
1985	------
1986	------
1987	------
Estimated outlays:	
Fiscal year:	
1983	1,761
1984	158
1985	65
1986	8
1987	------

The cost of this bill fall within budget function 800.

6. Basis of estimate: This estimate assumes that the amount authorized will be appropriated. The estimate of annual outlays is based on historical spending patterns. The bill authorizes the Administrator of the General Services Administration to increase expenditures by a maximum of 10 percent of the estimated maximum costs of any project in the case of a cost overrun. Based on the amount authorized in the bill for specific projects, the maximum additional cost that could be associated with this provision is $18 million.
7. Estimate comparison: None.
8. Previous CBO estimate: None.
9. Estimate prepared by: Judy Walker.
10. Estimate approved by:

C. G. NUCKOLS
(For James L. Blum,
Assistant Director for Budget Analysis).

Changes in Existing Law

In compliance with paragraph 12 of Rule XXVI of the Standing Rules of the Senate, the committee reports that the bill makes no changes in existing law.

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